

# **Preemption of Short-Term Transmission Service**

---

## **BPA Transmission Business Practice**

Version 5

10/4/2023

# Preemption of Short-Term Transmission Service

## Version 5

Sections 13.2 and 14.2 of the BPA Open Access Transmission Tariff (OATT) establish the reservation priority for awarding Short-Term service on constrained paths. Reservation priority allows a later-submitted Short-Term TSR with higher reservation priority (Challenger) to preempt an earlier-submitted Short-Term TSR or conditional reservation with lower reservation priority (Defender) when there is not sufficient Short-Term ATC to grant all TSRs. A Defender of a conditional PTP reservation has a Right of First Refusal (ROFR) to match the challenging TSR's duration in certain circumstances. This business practice outlines the Preemption process BPA uses to manage reservation priority for the Short-Term market, which includes Hourly service.

For additional details regarding how Preemption will be conducted on BPA OASIS, please see the Preemption and ROFR reference documents posted at the following links:

- [Preemption and ROFR User Guide](#)
- [Preemption Process Flow Diagram](#)

### BPA Policy Reference

- [Open Access Transmission Tariff \(OATT\)](#): Section 13.2; 14.2

For more information, visit the [BPA Transmission Business Practices webpage](#) or submit questions to [techforum@bpa.gov](mailto:techforum@bpa.gov).

## Table of Contents

|  |    |
|--|----|
| A. Conditional vs. Unconditional Criteria .....    | 2  |
| B. Preemption Process .....                        | 2  |
| C. Reservation Priority for Preemption .....       | 3  |
| D. Preemption Timing Requirements .....            | 4  |
| E. Challenger Eligibility & Responsibilities ..... | 5  |
| F. Defender Responsibilities .....                 | 6  |
| G. Defender Responsibilities for Resellers .....   | 9  |
| H. Billing Process for Preemption.....             | 10 |

## A. Conditional vs. Unconditional Criteria

1. Customers holding Short-Term PTP pending TSRs (*i.e.*, not yet CONFIRMED on OASIS) or conditional reservations on constrained paths must remain mindful of the conditional nature of their capacity as it can be challenged.
2. Short-Term Firm Point-to-Point (PTP) service that is already CONFIRMED on OASIS can only be preempted up to the conditional reservation deadline (as defined in Section 13.2 of the BPA OATT).
  - a. Once a Short-Term Firm PTP reservation reaches its conditional reservation deadline, it is deemed to be 'unconditional' and no longer subject to the Short-Term Preemption process. This start of the TSR's unconditional time is provided in the Unconditional field of the TSR on OASIS.
  - b. Prior to the conditional reservation deadline, a Short-Term Firm PTP reservation is deemed to be 'conditional' and available to be challenged as a potential Defender under the Short-Term Preemption process by a higher-priority TSR.
3. Short-Term PTP pending TSRs (Firm and Non-Firm) are always conditional.
4. Short-Term Non-Firm PTP reservations are also always conditional.
5. Long-Term Firm PTP and Network Integration Transmission (NT) Service reservations of any duration are always considered unconditional.

## B. Preemption Process

1. There are two types of Preemption in the Short-Term market: Preemption with ROFR and Preemption without ROFR.
  - a. Preemption with ROFR occurs when a higher-priority Short-Term PTP TSR challenges a conditional Short-Term PTP reservation. In this scenario, the Customer with the conditional PTP reservation may attempt to defend that reservation by matching the duration of the challenging TSR in OASIS.
  - b. Preemption without ROFR occurs when a Defender does not have a Right of First Refusal, meaning a Challenger takes a Defender's capacity without the Defender being able to match the duration of the Challenger's TSR. Preemption without ROFR occurs in two scenarios:
    - i. When a Short-Term PTP TSR is pending and the Challenger is a higher-priority Short-Term PTP or NT service TSR.
    - ii. When a Defender is a conditional Short-Term Firm PTP reservation and the Challenger is a Short-Term Firm NT TSR.
2. The process for both Preemption with and without ROFR is outlined in NAESB Wholesale Electric Quadrant (WEQ) Version 003.2 standards or subsequent versions incorporated by the Federal Energy Regulatory Commission's (FERC) regulations. BPA conducts the Preemption process as set forth in these standards. A simplified flow diagram representing the NAESB process is illustrated in the [Preemption Process Flow Diagram](#).
3. The Preemption process is initiated when there is insufficient Short-Term ATC to grant a full offer to a Short-Term TSR for PTP or NT service. However, there is no assurance that the outcome of the Preemption process will result in sufficient ATC to grant a full

offer or even a partial offer. The [Transmission Service Request \(TSR\) Evaluation Business Practice](#) shows where Preemption occurs within the evaluation of a TSR.

4. The Preemption process is conducted the same for request types of Original and Redirect. Resales are not subject to Preemption directly. However, as described in more detail in Section G below, the capacity underlying the Resale is subject to Preemption on the Parent Reservation, while the parent is still conditional.
5. It is the responsibility of all Customers to monitor their TSRs and reservations throughout the Preemption process as Defenders or Challengers. See the [Preemption and ROFR User Guide](#). Sections E and F also provide further information.

## C. Reservation Priority for Preemption

1. Reservation priority is set forth in Sections 13.2 and 14.2 of the BPA OATT. Table A shows the reservation priority for Preemption, including whether the Defender has ROFR.

| Table A: Reservation Priority and Preemption Scenarios <sup>1</sup>                             |  |      |
|---|--|------|
| Defending Request or Reservation  | Challenging Request  | ROFR |
| Firm NT and Long-Term Firm PTP  | Not subject to Preemption  | N/A  |
| Conditional Short-Term Firm PTP TSR or Reservation  | Pre-confirmed Short-Term Firm NT   | No   |
| Conditional Short-Term Firm PTP Reservation   | Pre-confirmed Short-Term Firm PTP of higher service increment, or same service increment and longer duration             | Yes  |
| Pre-confirmed Short-Term Firm PTP TSR   | Pre-confirmed Short-Term Firm PTP of higher service increment, or same service increment and longer duration             | No   |
| Not Pre-confirmed Short-Term Firm PTP TSR   | Pre-confirmed Short-Term Firm PTP of higher service increment, or same service increment and equal to or longer duration | No   |
| Conditional Short-Term Non-Firm PTP Reservation   | Pre-confirmed Short-Term Non-Firm PTP of longer duration   | Yes  |
| Pre-confirmed Short-Term Non-Firm PTP TSR   | Pre-confirmed Short-Term Non-Firm PTP of longer duration   | No   |
| Not Pre-confirmed Short-Term Non-Firm PTP TSR   | Pre-confirmed Short-Term Non-Firm PTP of equal or longer duration  | No   |
| <sup>1</sup> This table sets forth the reservation priority for Preemption in descending order. |  |      |

2. The reservation priority outlined in Table A is consistent with NAESB WEQ Version 003.2 standards or subsequent FERC-approved versions.
  - a. Certain scenarios described in the NAESB standards are excluded from Table A because they would never occur due to how BPA manages ATC. For example, in theory Firm TSRs have reservation priority over Non-Firm TSRs and reservations. In practice, however, a Non-Firm reservation would never be selected as a Defender for a Firm Challenger because BPA manages Firm and Non-Firm ATC separately, but in a manner that respects the higher reservation priority of Firm service.

3. Defenders with equal reservation priority will be considered for Preemption based on queue time (Defenders with a later queue time will be preempted before Defenders with an earlier queue time). If multiple Defenders have the same queue time, then Defenders will be considered for Preemption based on their AREF number (Defenders with higher AREF numbers will be preempted before Defenders with lower AREF numbers).
4. To be considered a Defender, a reservation or TSR must provide non-*de minimis* capacity to all paths (1:1 and/or flow-based) where there is a deficiency in meeting the Challenger request for a full offer.
  - a. A *de minimis* impact is an impact as set forth in Section D of the [Transmission Service Request \(TSR\) Evaluation Business Practice](#).

## D. Preemption Timing Requirements

1. The Preemption process runs continually, including weekends and holidays. Tables B and C describe the processing timeframes for Challengers and Defenders in various Preemption scenarios involving Firm and Non-Firm service.

| Table B: Preemption Processing Timeframes for Firm Service <sup>1</sup>   |   |                                  |                        |   |                                 |
|---|---|----------------------------------|------------------------|---|---------------------------------|
| Challenger Timeframes   |   | Defender Timeframes <sup>2</sup> |                        |   |                                 |
| Challenger  | Must Be Queued By                             | Monthly Firm PTP                 | Weekly Firm PTP        | Daily Firm PTP  | Hourly Firm PTP                 |
| Monthly Firm PTP  | 5 Days <sup>3</sup> 80 Minutes Prior to Start | 35 Days Prior to Start           | 12 Days Prior to Start | 5 Days prior to 1:00 AM of the Preschedule Day <sup>4</sup> | NA                              |
| Weekly Firm PTP   | 3 Days 80 Minutes Prior to Start              | NA                               | 10 Days Prior to Start | 3 Days prior to 1:00 AM of the Preschedule Day              | NA                              |
| Daily Firm PTP  | 2 Days 80 Minutes Prior to Start              | NA                               | NA                     | 48 Hours prior to 1:00 AM of the Preschedule Day            | NA <sup>5</sup>                 |
| Hourly Firm PTP   | 11:00 AM of the Preschedule Day               | NA                               | NA                     | NA  | 11:00 AM of the Preschedule Day |
| Monthly Firm NT   | 4 Days 80 Minutes Prior to Start              | 34 Days Prior to Start           | 11 Days Prior to Start | 4 Days prior to 1:00 AM of the Preschedule Day              | NA                              |
| Weekly Firm NT  | 2 Days 80 Minutes Prior to Start              | 32 Days Prior to Start           | 9 Days Prior to Start  | 2 Days prior to 1:00 AM of the Preschedule Day              | NA                              |
| Daily Firm NT   | 1 Day 80 Minutes Prior to Start               | NA                               | 8 Days Prior to Start  | 1 Day prior to 1:00 AM of the Preschedule Day               | NA <sup>5</sup>                 |
| Hourly Firm NT  | 11:30 AM of the Preschedule Day               | NA                               | NA                     | NA  | 11:30 AM of the Preschedule Day |
| <sup>1</sup> The timeframes apply to scenarios where the Defender is a confirmed reservation. Pending TSRs can be preempted at any time.                |   |                                  |                        |   |                                 |
| <sup>2</sup> The Defender timeframes indicate the latest time a Defender is at risk of Preemption.  |   |                                  |                        |   |                                 |
| <sup>3</sup> All references to "Day" in this table refer to Calendar Days except where specifically noted as "Preschedule Day" (defined in footnote 4). |   |                                  |                        |   |                                 |
| <sup>4</sup> "Preschedule Day" means WECC Preschedule Day, which starts at midnight PPT.  |   |                                  |                        |   |                                 |
| <sup>5</sup> Daily vs Hourly not applicable due to timing considerations. Use Hourly service to challenge Hourly.                                       |   |                                  |                        |   |                                 |

| <b>Table C: Preemption Processing Timeframes for Non-Firm Service<sup>1</sup></b>   |   |  |                                    |                                    |  |
|---|---|--|------------------------------------|------------------------------------|--|
| <b>Challenger Timeframes</b>  |   | <b>Defender Timeframes<sup>2</sup></b> |                                    |                                    |  |
| <b>Challenger<sup>4,5</sup></b>   | <b>Must Be Queued By</b>                      | <b>Monthly Non-Firm PTP</b>            | <b>Weekly Non-Firm PTP</b>         | <b>Daily Non-Firm PTP</b>          | <b>Hourly Non-Firm PTP<sup>5</sup></b> |
| Monthly Non-Firm PTP  | 2 Days <sup>3</sup> 80 Minutes Prior to Start | 49 Hours 20 Minutes Prior to Start     | NA                                 | NA                                 | NA                                     |
| Weekly Non-Firm PTP   | 2 Days 80 Minutes Prior to Start              | NA                                     | 49 Hours 20 Minutes Prior to Start | NA                                 | NA                                     |
| Daily Non-Firm PTP  | 27 Hours 20 Minutes Prior to Start            | NA                                     | NA                                 | 27 Hours 20 Minutes Prior to Start | NA                                     |
| Hourly Non-Firm PTP <sup>5</sup>  | 100 Minutes Prior to Start                    | NA                                     | NA                                 | NA                                 | 100 Minutes Prior to Start             |
|   | 8 Hours Prior to Start                        | NA                                     | NA                                 | NA                                 | 140 Minutes Prior to Start             |
| <sup>1</sup> The timeframes apply to scenarios where the Defender is a confirmed reservation. Pending TSRs can be preempted at any time.  |   |  |                                    |                                    |  |
| <sup>2</sup> The Defender timeframes indicate the latest time a Defender is at risk of Preemption. There is no conditional reservation deadline for Non-Firm service, so this timing is based on NAESB standards requiring Preemption to be completed 1 hour prior to the scheduling deadline.  |   |  |                                    |                                    |  |
| <sup>3</sup> All references to "Day" in this table refer to Calendar Days.  |   |  |                                    |                                    |  |
| <sup>4</sup> Non-Firm NT can never be a Challenger because BPA's ATC methodology already gives 6-NN service the highest Non-Firm reservation priority. Likewise, each of the Non-Firm PTP services can only challenge Defender reservations of the same service because of BPA's ATC methodology (which respects reservation priority). |   |  |                                    |                                    |  |
| <sup>5</sup> Non-Firm Hourly PTP (2-NH) is subject to the Preemption process, but Non-Firm Secondary Hourly PTP (1-NS) is not. It is excluded as a Challenger per NAESB. It is excluded as a Defender per BPA's ATC methodology as noted in footnote 4.   |   |  |                                    |                                    |  |

## E. Challenger Eligibility & Responsibilities

1. A Short-Term TSR for NT and PTP service must meet the following conditions to be eligible to be a Challenger.
  - a. The TSR must be Preconfirmed.
  - b. A PTP TSR must have a flat MW profile over time. An NT TSR may have a varying MW profile over time and still be eligible to be a Challenger.
  - c. The TSR cannot have a leading or trailing zero (0) MW profile segment.
  - d. It must at least be possible to grant a full offer to a PTP Challenger considering all available Defenders (but without considering whether any Defender will exercise ROFR). NT TSRs are not subject to this requirement to be a valid Challenger.
2. If a TSR has been identified as a Challenger, the Competing Request Flag will be set on OASIS for that TSR to a unique reference identifier for that Preemption process.
3. Only one Preemption process can be active at a time for a given path and a specific time period of constrained ATC. If there are multiple Challengers vying for the same

constrained ATC from the same set of Defenders for the same time period, the Preemption process will proceed one at a time for each Challenger in queue order. The other Challengers will remain in QUEUED status awaiting the completion of the earlier-queued Preemption processes.

4. Once a TSR has been identified as a Challenger, it cannot be withdrawn until the Preemption process is complete and unless the result is a partial offer.
5. To avoid being stuck behind other Challengers, a Customer may waive their right to challenge lower-priority TSRs and reservations at the time their TSR is submitted on OASIS. The Preemption process will not be initiated in this case, regardless of whether sufficient ATC is available to grant an offer. See the [Preemption and ROFR User Guide](#) for how to waive the right to challenge.
6. A Customer may instead waive their right to challenge their own lower-priority TSR or reservation at the time their TSR is submitted on OASIS. In this case, the Preemption process will not be initiated if one of the Customer's own TSRs or reservations would otherwise have been identified as a Defender. The same reference document from bullet E.5 explains this process also.
7. Customers that do receive a partial offer after the Preemption process has completed are required to respond within the same Customer Confirmation Time Limits as for any offer. Customers may respond by accepting the counteroffer, rebidding to a lower capacity, or withdrawing their TSR. The Customer Confirmation Time Limits are defined under the Reservation Response Timing Requirements table as set forth in the [Requesting Transmission Service Business Practice](#).
8. Customers are encouraged to subscribe to alarms and/or email notifications on OASIS in order to receive status updates as the Preemption process is initiated and completed. See the [Preemption and ROFR User Guide](#).

## F. Defender Responsibilities

1. Customers holding Short-Term pending TSRs or conditional reservations on constrained paths must be prepared to respond accordingly if their TSR or reservation is identified as a Defender in the Preemption process.
2. If a TSR or conditional reservation has been identified as a Defender, the Competing Request Flag will be set on OASIS to a unique reference identifier for that Preemption process.
  - a. Customers may use this unique reference number to identify all TSRs and reservations involved in this particular Preemption process on OASIS, as well as to query the status of the overall process.
  - b. The Competing Request Flag will also be set to the same reference identifier for any Dependents of an identified Defender (*i.e.*, Resales and pending Redirects).
  - c. The Competing Request Flag will be cleared for the Defender and all associated Dependents once the Defender has completed the Preemption process.

3. While the Competing Request Flag is set to a non-blank value for a given Defender and related Dependents (if any), no Customer-initiated transactions are permitted for that TSR or reservation until the flag is cleared. This includes:
  - a. Status changes on OASIS are blocked, such as moving a TSR from ACCEPTED to CONFIRMED; and
  - b. Creation of new TSRs (such as Resale, Redirect, Transfer, or Consolidation) is prevented.
4. Defenders with and without ROFR may lose their capacity from a Short-Term PTP TSR or conditional reservation through the Preemption process in order to grant a better offer to a Challenger.
  - a. If the Defender is a pending TSR, it is re-evaluated following Preemption and may result in a different offer, such as a COUNTEROFFER or SUPERSEDED.
  - b. If the Defender is a conditional Original reservation, capacity is preempted in full or in part through a Recall of the Defender.
  - c. If the Defender is a conditional Redirect reservation from a conditional Parent Reservation, capacity is preempted in full or in part through a Recall of the Defender. No rights are restored to the Parent Reservation.
  - d. If the Defender is a conditional Redirect reservation from an unconditional Parent Reservation, capacity is preempted in full or in part through a Firm Relinquish from the Defender. Rights are restored back to the Parent Reservation.
5. Customers must be diligent to avoid over-use penalties if they choose to submit an e-Tag against a reservation that is still conditional.
  - a. A reservation can still be identified as a Defender or a Dependent of a Defender even if a tag has already been approved for a conditional reservation.
  - b. An e-Tag can still be approved against a conditional reservation even if the Competing Request Flag has already been set for that reservation.
  - c. An e-Tag submitted against a conditional reservation that is subsequently preempted will be at risk of no longer having a sufficient reserved capacity to support the e-Tag, since the capacity needed for the Challenger will be recalled or relinquished from the conditional reservation. It is the Customer's responsibility to adjust any e-Tags where capacity has been recalled or relinquished.
  - d. Customers will be assessed over-use penalties for any e-Tags for which there is insufficient reserved capacity following Preemption, even if that e-Tag had previously been approved.
6. Customers are strongly encouraged to subscribe to alarms and/or email notifications on OASIS in order to receive alerts as the Preemption process is initiated and completed for Defenders and/or Dependents of a Defender. See the [Preemption and ROFR User Guide](#).
7. The following provisions apply to Defender reservations that are eligible for Right of First Refusal (ROFR). See the [Preemption and ROFR User Guide](#) for related OASIS procedures.
  - a. An eligible Customer will have the right to exercise ROFR, but it is not guaranteed that the ROFR will be successful. There may not be sufficient ATC to grant ROFR to all eligible Defenders.



- b. BPA will provide simultaneous notification of ROFR eligibility through an OASIS posting for each Defender reservation. That ROFR Notification will indicate:
  - i. Matching Profile: This indicates the minimum profile required by the Customer to exercise ROFR to match the terms of the Challenger.
  - ii. Remaining Profile: This indicates the default profile that will remain on the Defender reservation if capacity is preempted by the Challenger.
- c. To indicate their intent to exercise ROFR, the Customer must submit a valid ROFR request on OASIS by the following ROFR deadlines (all time measured starting from when the notification of ROFR eligibility is posted on OASIS, irrespective of weekends and holidays):
  - i. For Daily, Weekly, and Monthly Defenders: Within 24 hours.
  - ii. For Hourly Firm Defenders: Within 30 minutes.
  - iii. For Hourly Non-Firm Defenders: Within 10 minutes if the Challenger is queued less than 8 hours prior to start; Within 30 minutes otherwise.
- d. Customers holding a Defender reservation eligible for ROFR have the following options to consider for their ROFR request. The ROFR decision is binding and may not be reconsidered later based on the actions of other Defenders or the Challenger.
  - i. Default ROFR: Customers may exercise ROFR by returning the minimum Matching Profile and the default Remaining Profile as specified in the initial ROFR Notification provided by BPA.
  - ii. Exceed Challenger Duration: Customers may exceed the duration of the Challenger request by returning a Matching Profile with a longer duration than required to match. Note that the capacity of the Matching Profile may not exceed the default MW profile provided by BPA.
  - iii. Lower Remaining Profile: Customers may return a Remaining Profile that is lower than the default provided by BPA. This would be used in the event that the Matching Profile cannot be granted (*i.e.*, the ROFR attempt is unsuccessful). If capacity must be preempted from a Defender reservation, the Customer may wish to avoid having an unusable MW profile remaining on their reservation. The lower Remaining Profile indicates to BPA the capacity that the Customer would like to retain on their reservation after preemption by the Challenger, including the possibility of a Remaining Profile of zero (0) MW.
  - iv. Best Offer: Customers may indicate to BPA that they will accept the best available offer if their Matching Profile cannot be granted. This would also be used in the event that the ROFR attempt is unsuccessful. Customers are indicating that they will accept any offer equal to or higher than the default Remaining Profile and less than or equal to their current reservation profile.
  - v. Decline ROFR: Customers may also explicitly decline to exercise ROFR. Their participation in the Preemption process would end immediately. The Defender reservation will be preempted down to the default Remaining Profile.

- e. To successfully exercise ROFR, a Customer's ROFR request must be considered both valid and be accepted by BPA following an ATC evaluation.
- f. The first valid ROFR request submitted on OASIS will be used in the subsequent ATC evaluation of ROFR for that Defender.
  - i. Customers will be able to see on OASIS within a few minutes whether the ROFR attempt is deemed valid or not.
  - ii. Customers will be able to submit additional ROFR attempts if the initial attempts are deemed invalid.
  - iii. If no valid ROFR request is received on OASIS by the ROFR deadline, the Defender reservation is preempted down to the default Remaining Profile.
- g. An ATC evaluation of each ROFR request is performed to determine whether the ROFR is successful or unsuccessful.
  - i. The ATC evaluation is performed once all Defenders eligible for ROFR have returned a valid ROFR request or once the ROFR deadline has expired (whichever comes first).
  - ii. The ATC evaluation is performed using Short-Term ATC at the time of the evaluation.
  - iii. The ATC evaluation is performed using the Matching Profile included in the ROFR request.
- h. If the ROFR is successfully exercised, the existing Defender reservation is updated on OASIS with the Matching Profile. Customers will keep their existing AREF. A new Matching TSR is no longer used.
- i. If the ROFR attempt is unsuccessful or the Customer chooses to explicitly decline ROFR, then the existing Defender reservation will be preempted down to the Remaining Profile with a Recall or Relinquish transaction on OASIS. Customers will keep whatever capacity may remain on their existing AREF.
- 8. A Defender TSR or reservation may be subject to the Preemption process multiple times until reaching the conditional reservation deadline (if applicable). However, a Defender can only be subject to a single Preemption process at a given time.

## **G. Defender Responsibilities for Resellers**

- 1. A conditional Resale reservation is exempt from the Preemption process. However, the capacity supporting the Resale is subject to Preemption if the Parent Reservation is conditional.
- 2. If a conditional Parent Reservation of a Resale is identified as a Defender, then the Reseller has all the same responsibilities as noted in the Defender Responsibilities Section F. The Reseller also has additional responsibilities as outlined in this Section G.
- 3. If the Parent Reservation is eligible for ROFR, it is the Reseller (not the Assignee) that makes the ROFR decision.

4. The Assignee will be made aware if the Parent Reservation of a Resale becomes involved in a Preemption scenario. The Competing Request Flag will be set for all Defenders and Dependents (including Resales) while the Preemption process is ongoing.
5. Both Resellers and Assignees (like all Customers) are strongly encouraged to subscribe to alarms and/or email notifications to monitor the Preemption process.
6. It is possible for a conditional Parent Reservation of a Resale to lose capacity through Preemption. This may create a situation in which there is no longer sufficient capacity on the Parent Reservation to support the Resale. This creates an “orphan Resale” situation.
7. It is the responsibility of the Reseller of the conditional Parent Reservation to deal with orphan Resales. The Reseller must reconcile and post correct information for any impacted Resale(s) for which there is no longer sufficient capacity on the conditional Parent Reservation. See the [Preemption and ROFR User Guide](#) for how to reconcile Resales on OASIS.
8. The Reseller will be financially responsible for any over-use penalties as a result of an uncorrected Resale where there remains insufficient capacity on the Parent Reservation due to lost capacity through Preemption.
9. If an Assignee has in turn resold a Resale from a conditional Parent Reservation, they have become a Reseller themselves. As such, they have inherited the Reseller responsibility for reconciling and posting correct Resale information on OASIS for Resales in which they are the Reseller (as well as any over-use penalties for not doing so).
10. As a result of the complexity and financial penalties involved with the reconciliation of orphan Resales from Preemption, both potential Resellers and Assignees must pay particular attention to the Unconditional time on OASIS when considering the Resale of a conditional Parent Reservation.

## H. Billing Process for Preemption

1. Customers granted transmission through Preemption or retaining transmission through exercising their ROFR will be billed in accordance with BPA applicable rate schedule(s) in effect at the time.
  - a. Customers who successfully exercise ROFR will be granted new service as an extension of their existing transmission (*i.e.*, the ROFR extension). This applies to both Original and Redirect reservations.
  - b. In addition to any current charges for existing transmission, Customers will be billed for this new service using the Block rate based on the total duration of the updated reservation (rather than the duration of just the ROFR extension). For example, consider an Original or Redirect reservation that is five (5) days duration and successfully exercises ROFR to add four (4) additional days. Those four (4) days will be billed starting at the lower Block 2 rate (days 6+), considering that the ROFR extension represents days six (6) through nine (9) of a now nine (9) day reservation. This approach is applied consistently to new service granted as a ROFR extension to both Original and Redirect reservations.

2. PTP Customers whose CONFIRMED capacity is recalled, in whole or in part, due to Preemption will receive a credit based on the amount of time capacity was recalled. The rate applied to this credit will be based upon the actual time recalled rather than the rate paid for the original capacity. For example, a recall of five (5) days will be credited at the Block 1 (days 1-5) Monthly, Weekly, Daily PTP rate, even if the Customer is being billed at the lower Block 2 rate for the reserved capacity it originally requested.
3. The messages associated with the recall credit will be:
  - a. "PTP Preemp Com Credit Days 1-5";
  - b. "PTP Preemp Com Credit Days 6+";
  - c. "PTP Preemp Comp Cr Hourly Firm";
  - d. "PTP Preemp Comp Cr Hourly NF";
  - e. "SCD Preemp Com Credit Days 1-5";
  - f. "SCD Preemp Com Credit Days 6+";
  - g. "SCD Preemp Comp Cr Hourly Firm";
  - h. "SCD Preemp Comp Cr Hourly NF";
  - i. "GSR Preemp Com Credit Days 1-5";
  - j. "GSR Preemp Com Credit Days 6+";
  - k. "GSR Preemp Comp Cr Hourly Firm"; and
  - l. "GSR Preemp Comp Cr Hourly NF".
4. With regard to Redirects of Resales that are subsequently preempted, BPA will credit the Assignee of the Resale as described in Section H.2 based on the amount of capacity recalled from the Redirect. The Reseller of the original resold capacity is still billed in full consistent with the [Resale of Transmission Service Business Practice](#). The Assignee and Reseller may negotiate a bilateral agreement with respect to the final disposition of the credit provided to the Assignee by BPA.